

FISCAL YEAR 2004 FUNDING PROPOSAL

for the

CLEANUP AND REDEVELOPMENT FUND

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Michigan Department of Environmental Quality
Remediation and Redevelopment Division

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FISCAL YEAR 2004 CLEANUP AND REDEVELOPMENT PROGRAM

The Department of Environmental Quality (DEQ) receives funding from the Cleanup and Redevelopment Fund (CRF) and the Environmental Protection Fund (EPF) to implement its cleanup and redevelopment programs. This document outlines the DEQ's Fiscal Year 2004 (FY04) proposed cleanup projects. The DEQ will also use the funds for emergency cleanup actions. This proposal provides for state-funded cleanup activities at sites of environmental contamination where the liable party will not or cannot take the needed actions, cleanup of contaminated sites to promote redevelopment, and match of federal funds expended on cleanups at federal Superfund sites.

The Remediation and Redevelopment Division (RRD) is responsible for the implementation of the state's Environmental Cleanup and Redevelopment Program under Parts 201, Environmental Remediation, and 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). The CRF funds, established under Section 20108 and implemented under Section 20113, of Part 201 of the NREPA, provide for the identification, risk assessment, evaluation, and cleanup of sites of environmental contamination. State-funded cleanups, including emergency cleanup actions, are conducted in compliance with Part 201 and Part 213 of the NREPA.

Section 20113(5) of Part 201 of the NREPA directs that CRF expenditures first satisfy Superfund match requirements, emergency response needs, and actions to address acute health or environmental problems. If funds remain, not less than 50 percent of the remainder is to be expended for response actions that facilitate the redevelopment of urbanized areas. The other 50 percent of the remainder is available to address non-acute health and environmental problems and to perform cleanups to facilitate redevelopment in non-urbanized areas.

FY04 Funding Sources

From FY1997 through FY2003, the DEQ's Cleanup and Redevelopment Program and Leaking Underground Storage Tanks (LUST) Program received separate appropriations. With the department's reorganization, the LUST program and appropriations have been combined with the Cleanup and Redevelopment Program and appropriations.

The CRF was created under Section 20108 of Part 201, of the NREPA. Money from the fund may be used for the required match of federal dollars expended at a Superfund site, emergency response actions at sites, health or environmental problems, National Priorities List municipal landfill cost-share grants, and response activities at sites that will facilitate redevelopment.

The EPF was created under Section 324.503a of Part 5, Department of Natural Resources, of the NREPA. The fund includes deposits from the sale of the economic share of royalty interest the state holds in hydrocarbons produced from Devonian or Antrim shale qualifying for the non-conventional fuel credit contained in Section 29 of the Internal Revenue Code of 1986. The EPF is to be used for the Environmental Cleanup and Redevelopment Program.

FY04 Funding Request

Under Section 20113(3) of Part 201 of the NREPA, the DEQ must seek an annual appropriation from the CRF. As part of this request, the DEQ must submit a list of the cleanup project sites where it is proposing to expend funds along with the following information for each site: name,

response activities proposed, and estimated cost of these activities. The request may include a lump-sum amount for emergency cleanup actions.

For FY04, the DEQ is requesting an appropriation of \$7,077,500 from the CRF and \$5,077,500 from the EPF for cleanup programs in the RRD as shown on below.

Program	CRF	EPF	Total
Environmental Cleanup and Redevelopment	\$5,077,500	\$5,077,500	\$10,155,000
Emergency Cleanup Actions and Contingencies	\$2,000,000		\$2,000,000
Total	\$7,077,500	\$5,077,500	\$12,155,000

This document provides program information and lists of the proposed RRD cleanup projects.

A total of 22 projects -- 6 of which are being planned by the RRD for state funding for the first time -- are proposed for FY04 funding. The total estimated cost of the 22 projects is \$10,155,000.

A summary of the 22 RRD cleanup and redevelopment projects proposed for FY04 -- **by project type** -- is provided below.

PROJECT TYPE	Number of Projects	Total Estimated Project Costs
REDEVELOPMENT PROJECTS <i>Sites that have redevelopment potential. This site <u>also</u> has an acute public health and/or environmental problem.</i>	1	\$500,000
ACUTE HEALTH AND ENVIRONMENTAL PROJECTS <i>Sites that have an acute public health and/or environmental problem.</i>	11	\$4,000,000
OPERATION AND MAINTENANCE PROJECTS <i>Sites other than those noted above, that have an ongoing operation and maintenance need.</i>	6	\$1,405,000
SUPERFUND MATCH PROJECTS <i>Projects where state funds will be used to match or enhance federal Superfund dollars.</i>	4	\$4,250,000
TOTAL	22	\$10,155,000

A summary of the proposed FY04 RRD cleanup and redevelopment projects -- **by county** -- is provided in the chart on the following page.

**FY04 RRD CLEANUP PROJECTS
PROPOSED FUNDING BY COUNTY**

County	Amount	Number of Sites	County	Amount	Number of Sites
Allegan	\$100,000	1	Iosco	\$150,000	1
Berrien	\$1,650,000	2	Jackson	\$150,000	1
Branch	\$100,000	1	Kalamazoo	\$1,500,000	1
Cass	\$400,000	1	Kent	\$500,000	1
Eaton	\$250,000	1	Mecosta	\$200,000	1
Gladwin	\$150,000	1	Midland	\$500,000	1
Gratiot	\$2,500,000	2	Montmorency	\$100,000	1
Houghton	\$200,000	1	Muskegon	\$950,000	3
Ingham	\$500,000	1	Wayne	\$255,000	1
TOTAL – 22 Sites -- \$10,155,000					

The 22 RRD cleanup and redevelopment projects proposed for FY04 funding are described in the following list: “Proposed FY04 RRD Cleanup and Redevelopment Projects” which begins on page 5. The projects are listed in county order and the following information is provided for each site:

- **Site ID** – Number(s) used to identify the site within the state of Michigan.
- **Site Name and Address** -- The name used most commonly for the site, street address, and city in which the site is located.
- **County** -- The county in which the site is located.
- **New Site** -- This column indicates if this is the first time the site has been proposed by the RRD for state funding.
- **Acute** -- This column indicates if the project (in part or in its entirety) is being proposed by the RRD to address an acute public health and/or environmental problem.
- **Redevelopment** -- This column indicates if the project has redevelopment potential.
- **FY04 Estimated Funds Required** -- This column provides the amount of FY04 funds that RRD estimates it will need to complete the project.
- **Actions Needed** – Actions proposed to be conducted to remediate environmental issues or prepare the site for redevelopment.

EMERGENCY CLEANUP ACTIONS AND CONTINGENCIES PROGRAM

The RRD plans to use \$2,000,000 in FY04 CRF for contingencies and emergency actions as identified by the division. Examples for use of these funds are:

- Abating imminent fire and explosion hazards.
- Abating imminent public health hazards.
- Mitigating the discharge of regulated substances to surface waters and other sensitive environmental receptors.
- Providing bottled water to residences with contaminated drinking water until there is a permanent resolution.
- Emergency drinking water treatment technology or well replacements.

- Monitoring of drinking water wells that are threatened by contamination.
- Assessment of suspect sites to evaluate acute risk.

PROPOSED FY04 RRD CLEANUP AND REDEVELOPMENT PROJECTS
(County Order)

Site ID ¹	Site Name and Address	County	New Site	Acute	Redevelopment	FY04 Estimated Funds	Actions Needed
03000031	Sunrise Landfill 829 Gregorville Road Wayland Township	Allegan		X		\$100,000	Monitoring at the site has identified solvents around the landfill. Proposed actions include determination of the source and remedial actions to address the contamination.
11000005	Bendix 3737 Red Arrow Highway St. Joseph (Superfund Match Project)	Berrien	X	X		\$250,000	Industrial activities at the site caused volatile organic compound contamination which is venting into Lake Michigan. Remedial actions will be conducted to prevent the contamination from discharging to the lake.
11000373	Coloma DCPA East Becht and Coloma North Road Coloma	Berrien		X		\$1,400,000	Residential wells are contaminated with the herbicide Dacthal. Proposed actions include connection of more than 300 residences and an elementary school to the municipal water system.
12000006	Bronson Area Wells Rudd Street and Orland Road Bronson Township	Branch	X	X		\$100,000	Residential wells are contaminated with trichloroethylene and methyl tertiary butyl ether (MTBE). Proposed actions include water main extension to the residences.

¹ The Storage Tank Information Database facility ID is provided in parentheses for Part 213 sites.

PROPOSED FY04 RRD CLEANUP AND REDEVELOPMENT PROJECTS
(County Order)

Site ID ¹	Site Name and Address	County	New Site	Acute	Redevelopment	FY04 Estimated Funds	Actions Needed
14000017	U.S. Aviex 1056 Huntley Road Niles	Cass		X		\$400,000	The US Environmental Protection Agency (USEPA) installed a groundwater treatment system to address diethyl ether contamination. Funds are needed for two years of operation and maintenance of the system.
23000010	Parsons Chemical 3562 West Jefferson Street Grand Ledge	Eaton		X		\$250,000	The production of agricultural chemicals caused soil and groundwater contamination. USEPA has conducted removal actions to address the soil contamination. Groundwater monitoring will be conducted to ensure residential wells are not impacted.
26000005	Gladwin Bulk Oil Plant State Street Gladwin	Gladwin		X		\$150,000	A groundwater treatment system is being installed to address petroleum releases. Funding is needed to continue operation and maintenance of the system.
29000007	Pine R Downstream of St. Louis St. Louis (Superfund Match Project)	Gratiot		X	X	\$1,500,000	USEPA is addressing contamination from the production of chemical products. Funding is needed for the state match for remedial actions and for laboratory analysis of sediments.
29000070	Velsicol Chemical Corp M46 St. Louis (Superfund Match Project)	Gratiot		X		\$1,000,000	USEPA is addressing contamination from the production of chemical products. Funding is needed for the state match for installation of a treatment system.

PROPOSED FY04 RRD CLEANUP AND REDEVELOPMENT PROJECTS
(County Order)

Site ID ¹	Site Name and Address	County	New Site	Acute	Redevelopment	FY04 Estimated Funds	Actions Needed
31000003	Torch Lake Route 26 Hubbell	Houghton		X		\$200,000	Copper mining deposits in the lake and on the shoreline have resulted in copper and arsenic concentrations exceeding direct contact criteria. Investigations and remedial actions have been taken to address the contamination. Proposed actions include monitoring the lake's recovery and operation and maintenance of the vegetative covers.
33000492	Americhem Corp. 300 North Street Mason	Ingham		X	X	\$500,000	Soil and groundwater contamination consisting of solvents and petroleum products are due to operations of an oil and chemical bulk storage facility. Proposed actions include installation of a groundwater treatment system and free product removal.
35000005	Res Wells Bachman Rd Bachman Road Oscoda	Iosco				\$150,000	Remedial actions have been taken to address groundwater and soil contamination from chlorinated solvents. Proposed actions include one year operation and maintenance of the remediation system.
38000373	Exxon Petroleum Section 7 Pulaski Township	Jackson	X	X		\$150,000	Proposed actions include removal of contaminated soil buried in a pit at this oil field.

PROPOSED FY04 RRD CLEANUP AND REDEVELOPMENT PROJECTS
(County Order)

Site ID ¹	Site Name and Address	County	New Site	Acute	Redevelopment	FY04 Estimated Funds	Actions Needed
39000051	Portage Creek/Kalamazoo River Morrow Pond Dam to Lake Michigan Kalamazoo (Superfund Match Project)	Kalamazoo		X		\$1,500,000	Paper recycling operations have caused extensive contamination along the Kalamazoo River and Portage Creek. Funding is needed for oversight of liable party actions and for laboratory costs.
41000113	Former Autostyle Plastics 2369 Breton Industrial Drive Grand Rapids	Kent		X		\$500,000	Releases during auto components production caused volatile organic compounds contamination. Remedial actions will be conducted to protect surface water.
54000079 (00004724)	Joe's Tire/Ridderman Oil 318 North State Street Big Rapids	Mecosta		X		\$200,000	Proposed remedial actions include removal of free product and preventing discharge to surface water by contaminated groundwater.
56000019	Tittabawassee River Dow Plant to Saginaw River Midland	Midland		X		\$500,000	Dioxin contamination has been identified in the Tittabawassee River floodplain. Funds are needed to continue the investigation and identify the population exposed.
60000058 (00035877)	Mary D's 101 Jerome Street Atlanta	Montmorency	X			\$100,000	Proposed actions include free product removal and interception of the discharge to Hay Meadow Creek due to underground storage tanks.

PROPOSED FY04 RRD CLEANUP AND REDEVELOPMENT PROJECTS
(County Order)

Site ID ¹	Site Name and Address	County	New Site	Acute	Redevelopment	FY04 Estimated Funds	Actions Needed
61000137	Green Ridge Subdivision 401 Center Laketon Township	Muskegon		X		\$750,000	Residential wells are contaminated with chloride from an oil field. Proposed actions include connection of the residences to municipal water to protect public health.
61000262 (00004644)	Laketon Auto Clinic 1087 West Laketon Avenue Muskegon	Muskegon	X	X		\$100,000	Proposed actions include an investigation to define the extent of free product due to underground storage tanks and removal of the product.
61000090 (00037921)	Meat Block 1401 West Sherman Avenue Muskegon	Muskegon	X	X		\$100,000	Underground storage tanks have caused explosive levels of vapors and free product. A groundwater investigation will be conducted to define the extent of contamination and identify the source.
82000044	Plymouth Industrial Center Holding Company 13101 Eckles Road Plymouth	Wayne		X	X	\$255,000	Remedial actions are in progress to define and address contamination from paint and solvent releases. Proposed actions include monitoring the migration of contaminated groundwater to protect public health.
Total FY04 Estimated Funds						\$10,155,000	